

# *Queens Lake Community Association, Inc.*

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Mr. James McReynolds  
County of York Administrator  
P. O. Box 532  
Yorktown, VA 23690

Re: Application for Tax Exemption under VA Code §58.1-3651

Dear Mr. McReynolds:

Queens Lake Community Association, ("The Association") hereby requests York County adopt an ordinance under the authority of the above-cited section of the Virginia Code, exempting the property owned by The Association from all real and personal property taxes for the year 2005 and beyond. The nine properties owned by the association are shown in the attached schedule.

The Association qualifies for this tax exemption because we are a nonprofit organization that uses its property for religious, charitable, patriotic, benevolent, and park and playground activity purposes. We provide a service to the Queens Lake community which is nearly identical to many homeowners associations that are exempt from taxation under Virginia Code §58.1-3284.1. We have not qualified under that section of the Code because The Association was founded in 1952, prior to the statute's enactment in 1985; therefore we did not have continuing automatic membership requirements deeded in the Queens Lake properties.

In support of our application, The Association offers the following information pertaining to the questions York County must consider as laid out in §58.1-3651B.1-B.8.

1. The Queens Lake Community Association is exempt from taxation under §501(c)(7) of the Internal Revenue Code. (See enclosed IRS Form 990). We are incorporated in the State of Virginia.
2. The Association does not have an alcoholic beverage license issued by the Virginia Alcoholic Beverage Control Board; however, we are permitted to provide alcoholic beverages at private adult parties for members and guests.
3. No director or officer of The Association is compensated for his or her personal services.
4. None of the net earnings of the organization inures to the benefit of any individual. No funds accrue from local, state, or federal grants. The Associations accepts donations and contributions, including personal services; however, donations and

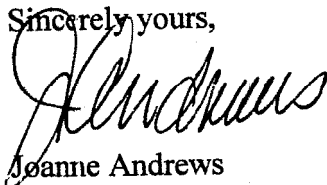
contributions do not constitute "any significant portion" of The Association's net earnings. (See Form 990, Part VII for an analysis of income production.)

5. The Queens Lake Community Association provides activities for youth and adults in the neighborhood and maintains properties – the buildings, swimming pool, playground, tennis courts, baseball field and marina – that serve residents throughout York County. For instance, the Girl Scouts and Brownies use the clubhouse – and many of the girls are not from Queens Lake. Likewise, the clubhouse is used by a local religious organization for Sunday services. A bridge group and an art group also use the club house for functions, and some of the members are from outside of Queens Lake. The marina is used by residents throughout York County, and the marina property has been used by local scouts and students as part of an oyster seedling project. The Queens Lake swim team, which consists of youth from both inside and outside Queens Lake, is based at our swimming pool, and swim meets held at our pool benefit youth from around the entire area. These services enhance the common good of the public and reduce the demand for County-provided services.
6. In general, we do not engage in political activity. On a nonpartisan basis, we do provide meeting space for political organizations and local public officials are encouraged to address resident's concerns at Association and other community meetings held at our clubhouse.
7. Exempting The Association's property will have a positive impact on the County's revenue and will benefit County taxpayers. The property tax bill paid by The Association in 2004 was \$8370.00. This represents only 0.014% of the 2004 York County budget. To the County this is an insignificant amount. To the Association this represents a significant portion of our annual budget and is the equivalent of roughly 27 additional memberships. This is money that would have to be raised either through a membership drive, increased membership fees, or reduced services provided to the community. We face the prospect of approaching the membership to authorize an increase in dues due to escalating insurance premiums and higher expenses of other kinds. Experience has shown that every time we increase the membership dues we lose members, and the more we must charge for membership, the harder it is to gain new members. Furthermore, as a mature community, a large number of Queens Lake residents are senior citizens living on a fixed income. They can ill afford an increase in fees, and many choose not to participate because their children are gone and they do not use the facilities. The reality, therefore, is that if we must absorb this year's tax assessment, we will have to consider reducing the services we provide, or increase dues, which will negatively impact every County resident who uses this property.
8. Other relevant factors. Section 58.1-3651, paragraph B, also provides that no exemption shall be provided to any organization that discriminates on the basis of religious conviction, race, color, sex, or national origin. The Queens Lake Community Association does not engage in any such impermissible discrimination. Our bylaws provide that we accept as members, any landowner or resident of Queens Lake who wishes to become a member of the Queens Lake Community Association. In addition, we offer limited memberships to residents from outside the Queens Lake

community who wish to participate in Queens Lake Association activities, including the swimming pool, swim team activities and the marina.

In conclusion, we believe that the Queens Lake Community Association meets all of the qualifications for an exemption under Virginia Code §58.1-3651. In addition, we believe that to deny us such an exemption would be to discriminate against the residents of Queens Lake and those from outside our development that use our facilities on the sole fact that we cannot force Queens Lake residents to join The Association – a fact that only harms The Association and not the County. As a voluntary association, we must provide services attractive to the community at large - not just Queens Lake residents – or we perish, which means we must provide services that benefit the common good of the public. Further, we must price our services attractively. We cannot simply raise our fees to absorb the county tax bill, which has increasingly strained our budget. We therefore request favorable consideration of our application. We will be glad to supply any additional information needed in your deliberations.

Sincerely yours,



Joanne Andrews  
President, Queens Lake Community Association

Cc: James Barnett, County Attorney; Marycarol White, Director, Financial and Management Services; Board of Supervisors

Enclosed:

Schedule of Queens Lake Community Association Properties

By Laws

Articles of Incorporation with Amendments

IRS Form 990

Check for Application Fee/\$150

**SCHEDULE of PROPERTIES of QUEENS LAKE COMMUNITY ASSOCIATION, Inc.**  
sequenced West to East clockwise around Queens Lake

<i>Tax Map Parcel ID</i>	<i>Nominal Street Address</i>	<i>Description</i>	<i>GPIN Locator</i>
07A1-09 -00 -00A	"AAA Unnamed 0" (184A Dennis Drive)	"Plat of Queens Lake Club Inc." (access to Queens Creek)	G16C-1950-1620
07A2-01 -00 -15A	161 West Queens Drive	Queens Lake Lot 15A (access to Queens Lake)	G15A-1626-4444
07A1-01 -00 -52A	227A West Queens Drive	Rt of Way betw Lots 51A & 53 Sec WA (access to Queens Lk)	G16B-4583-2555
07A1-01 -00 -52	227Z West Queens Drive	Queens Lake "pond" itself	G16D-3203-1373
07A1-09 -00 -002B	230A West Queens Drive	Queens Lake Pt Lot 2 (small inside tract across from 227A West Queens Drive)	G16B-4668-2696
007A1 9 48A	232 West Queens Drive	Abbott & Spillway (marsh between dam and Queens Creek and dam itself)	H16C-0280-2457
07A1-09 -00 -048	234 East Queens Drive	Queens Creek & Spillway Parcel B (Queens Lake Marina)	H16C-0592-1871
07A1-09 -00 -047	234A East Queens Drive	Creek & East Queens Dr Parcel A (site of clubhouse, pools, tennis courts, playground, ball field)	H16C-0263-1395
07A1-01 -00 -52B	"AAA Unnamed 0" (Betw Nos. 107 & 109 Horseshoe Drive)	Rt of Way betw Lot 1 Sec A & Lot 6 Sec B (access to Queens Lake)	G16D-4107-0992

# **QUEENS LAKE COMMUNITY ASSOCIATION, INC.**

## **BYLAWS**

Last revised November 16, 2004

### **ARTICLE I**

#### **Name**

The name of the Corporation shall be the Queens Lake Community Association, Inc. (the Association).

### **ARTICLE II**

#### **Purposes**

The purposes of the Queens Lake Community Association, Inc shall include:

- (a) providing an organization to support the community interests of the residents and Property Owners, including preservation of the natural beauty and other assets of the area, and the maintenance of high social and civic standards;
- (b) supervising, controlling and operating the activities and facilities of the Association on a not-for-profit basis and providing for the enforcement of rules and regulations concerning the use thereof;
- (c) upholding compliance with deed covenants of record in the Clerk's Office of the Circuit Court of York County, Virginia; and
- (d) representing the Queens Lake Community in dealings with others as to matters of community interest.

### **ARTICLE III**

#### **Definitions**

**Section 1. Queens Lake Community:** Queens Lake Community includes the following streets: Allendale Place, Bowstring Drive, Cambridge Lane, Charles River Landing Road, Copse Way, Crown Court, Dennis Drive, Friars Court, Greenwood Drive, Holcomb Drive, Holloway Drive, Horseshoe Drive, Hunter's Lane, Huntingdon Road, King Richard Court, King's Court, Lakeshead Drive from Interstate 64 to Allendale Place, Little John Road, Maid Marion Place, Montague Circle, Nottingham Road, Old Glory Court, Point Laurel Place, Prince Charles Street, Princess Place, Queens Drive East, Queens Drive West from Huntingdon Road to Queens Drive East, Ringfinger Court, Saxon Road, Sheriffs Place, Sherwood Drive, Shoreham Lane, Sixpence Court, Spur Court, Valor Court, Will Scarlet Lane, Will Scarlet Lane North, and Willoughby Drive.

#### **Section 2. Common Area:**

- (a) Property within Queens Lake Community which is owned by the Association including: pools; tennis courts; marina; a playground and surrounding open spaces; clubhouse; Queens Lake, Princess Pond, the earthen dam between Queens Lake and Princess Pond, and the earthen dam and spillway at the east end of Queens Lake; the access to Queens Creek at 184 Dennis Drive; two accesses to Queens Lake at 161 and 227 West Queens Drive; a parking area across from 227 West Queens Drive; an access to Queens Lake between 107 and 109 Horseshoe Drive; and other properties as well as fixtures, personal property and equipment related thereto, operated for the benefit of its Members.
- (b) Common areas shall also include easements which benefit Members of the Association.

**Section 3. Property Owner:** A resident or non-resident of Queens Lake Community who singly or jointly owns one or more lots in Queens Lake Community.

**Section 4. Shareholder:** A Property Owner who has acquired a share of stock in the Association.

#### **Section 5.**

- (a) **Member:** An individual who meets the definition of this Section and who has complied with the requirements of Article IV for the eligible class of membership.
- (b) **Regular Member:** A Shareholder.
- (c) **Associate Member:** An individual who is not a Property Owner and who lives in Queens Lake Community.
- (d) **Limited Member:** An individual who is not a Property Owner and who is not eligible for membership under any of the foregoing definitions, and who is approved for membership for certain activities only.
- (e) **Household:** All members of the immediate family of a Member who reside with the Member as their primary residence. Exceptions to this definition may be granted only by the Board of Directors.
- (f) **In Good Standing:** A member who has paid all required fees and dues.

**Section 6: Deed Restriction:** The Queens Lake Community Association, Inc. Deed Restriction which requires the owners of a specific lot to be a member of the Association. The Deed Restriction provides that the Association shall provide Grantor and subsequent owners of the lot with certain benefits incident to ownership of the lot.

## **ARTICLE IV Membership**

### **Section 1. Application for Membership.**

- (a) **Regular and Associate Members.** Application for Regular or Associate Membership shall be made on forms provided by the Association. The Executive Secretary shall review the application and approve the membership if the requirements for the particular class of membership are met. If an application is incomplete or if the membership class of the applicant is in question, the Executive Secretary shall report the application to the next meeting of the Board of Directors, and the Board shall act on the application, which action shall be determinative.
- (b) **Limited Members.** Applications for Limited Membership shall be made in writing annually to the Committee of the Association in charge of the activity or facility in which the applicant is interested. Action on the application shall be taken by the appropriate Committee with oversight by the Board of Directors.

### **Section 2. Privileges.**

- (a) Regular and Associate Members in Good Standing and their Households are eligible to join in the activities of the Association and to use the Common Area according to the rules of the Association which shall apply to such Members and upon payment of any applicable fees.
- (b) The extent to which Limited Members and guests of Members in Good Standing may join in Association activities and use the Common Area shall be determined by the Board of Directors. Guest must be accompanied by a member of the Member's Household when joining in Association activities or using the Common Area unless an exception has been obtained in advance from the Board member responsible for that area.
- (c) No more than one Household shall use a single share of stock as the basis for Regular Membership.

### **Section 3. Suspension of Privileges.**

- (a) In case of infraction of the Bylaws or Rules of the Association, the Board of Directors may suspend any or all privileges of any Member for a period of time deemed appropriate by the Board. The Member shall be given fourteen (14) days notice of the meeting at which the suspension is to be considered and shall have the right to be present at such meeting or to be represented there and to be heard.
- (b) Members in arrears in payment of dues are no longer in Good Standing and after a period of six (6) months shall be so notified in writing by certified mail with return receipt.

## **ARTICLE V Board of Directors**

**Section 1. Composition.** The Board of Directors shall consist of not fewer than nine (9) Shareholders in Good Standing as shall be determined from time to time by the Board of Directors prior to the call for nominees.

### **Section 2. Election and Term.**

- (a) Members of the Board shall be elected by the Shareholders at the Annual Meeting for a term of two (2) years and until their successors are duly elected and installed. No member of the Board shall serve for more than two consecutive full terms. The election of the members shall be so arranged that approximately one half of their number shall be elected each year. Newly elected members of the Board shall take office immediately following the Annual Meeting of the Association.
- (b) Any vacancy occurring on the Board shall be filled, until the next Annual Meeting of the Association, by a majority vote of the remaining members of the Board and promptly communicated to the Shareholders.
- (c) Three (3) consecutive absences from Board meetings by any one member without a valid reason shall be deemed a resignation.

**Section 3. Recall.** Any member of the Board of Directors may be removed with or without cause by a majority of votes cast at a Special Meeting called for that purpose as specified in Article IX, Section 2.

### **Section 4. Duties and Powers.**

- (a) The Board of Directors shall supervise the Association property, activities, facilities and funds as specified in the Association Bylaws. This authority may be delegated by the Board to Committees as hereinafter set forth.

- (b) The Board shall present, at the Annual Meeting of the Association, a report approved by the majority of the Directors setting forth a review of the operations during the year, which shall include a financial status summary and a review of any non-budgeted expenditures made pursuant to Article VII, Section 7, and a review of the financial plans for the following year. The foregoing shall precede any new business.

**Section 5. Meetings.**

- (a) There shall be at least ten (10) regular meetings of the Board annually. The President may call special meetings of the Board as needed and shall call a special meeting upon the written request of three (3) members of the Board.
- (b) Within two (2) weeks after the Annual Meeting at which election of Directors is effected, the outgoing President shall call and hold an Organizational Meeting of the new Board.
- (c) All meetings of the Board are open to all Shareholders in Good Standing.

**Section 6. Quorum.** A majority of the voting members of the Board shall constitute a quorum.

**ARTICLE VI  
Officers**

**Section 1. Elected Board Officers.** A President and Vice-President shall be elected by a majority of the Board from among their number at the Organizational Meeting and shall hold office for one (1) year and until their successors are duly elected and installed.

**Section 2. Appointed Officers and Consultants.** The Board shall appoint an Executive Secretary, a Treasurer and a Legal Consultant for terms renewable annually at the Organizational Meeting. These shall be non-voting members of the Board and may receive such consideration as shall be determined by the Board. The Executive Secretary or the Treasurer shall be the recording officer for the Board of Directors, keeping and distributing minutes and agendas for all meetings of the Board as directed by the Board.

**Section 3. President.** The President shall be the chief executive officer and shall be responsible for the operation of the Association under its Articles of Incorporation and Bylaws, signing all contracts and legal documents. The President shall preside at all meetings of the Association and the Board of Directors. The President, together with the Treasurer, shall sign or endorse checks, drafts or notes. The President shall be, ex-officio, a member of all Committees, except the Nominating Committee. The President shall assign duties to members of the Board and shall perform such other duties as may be designated by the Board.

**Section 4. Vice-President.** The Vice-President shall, in the event of the absence, disability or death of the President assume all the powers and perform all the duties of that office until such time as the Board of Directors shall elect one of its members to fill the vacancy. The Vice-President shall perform such other duties as the President and the Board may designate.

**Section 5. Executive Secretary.** The Executive Secretary shall act as manager of the Association office and maintain Association records, files and membership rolls. In addition, the Executive Secretary shall perform such other duties as the President and the Board may designate.

**Section 6. Treasurer.** The Treasurer shall collect and receive all monies due, shall be custodian of these monies, shall deposit them in a bank designated by the Board of Directors, shall disburse them as authorized by the Board and shall be bonded. The Treasurer shall maintain adequate financial records and present regular statements to the Board. The Treasurer shall surrender all books and materials necessary to be audited or reviewed each year. In addition, the Treasurer shall perform such other duties as the President and Board may designate.

**Section 7. Legal Consultant.** The Legal Consultant shall attend meetings of the Shareholders and the Board of Directors and upon request advise the Board on all contracts, obligations and other legal matters. The Legal Consultant shall represent the Board as necessary or recommend appropriate legal counsel to do so.

**ARTICLE VII  
Financial Administration**

**Section 1. Fiscal Year.** The fiscal year of the Association shall commence on January 1.

**Section 2. Fees.**

- (a) **Stock Purchase Fee.** An applicant for Regular Membership shall, unless he has acquired his property through inheritance or has purchased a deed restricted lot, pay to the Association a Stock Purchase Fee, the amount of which shall be recommended by the Board of Directors and approved by a majority vote of Shareholders at a meeting.
- (b) **Stock Transfer Fee:** An applicant for Regular Membership who has acquired his property through inheritance or has purchased a deed restricted lot shall pay to the Association a minimal Stock Transfer Fee, the amount of which shall have been determined by the Board of Directors.
- (c) **Associate Member Fees.** When the owner of rented property in the Queens Lake Community is not a Regular Member in Good Standing of the Association, an applicant for Associate Membership shall pay an Annual Associate Member Fee established by the Board of Directors.
- (d) **Facility Fees.** Fees for the use of Association facilities or for participation in Association activities by all Members and guests shall be established by the Board of Directors.

### **Section 3. Annual Community Maintenance Dues.**

- (a) Regular and Associate Members shall pay Annual Community Maintenance Dues in an amount recommended by the Board of Directors and approved by a majority of Shareholders voting in person or by proxy at the Annual Meeting or at a Special Meeting called for such purpose. One such Annual Community Maintenance Dues is required for each individual rental property, and it may be remitted either by the Regular Member owning the property or by the Associate Member renting the same.
- (b) No reduction, abatement or set-off dues shall be claimed or allowed except for hardship as may be determined exclusively by uniform policy of the Board of Directors.

### **Section 4. Budgets.**

- (a) A comprehensive budget for the forthcoming fiscal year, covering the operations of all Association facilities and activities and including an ongoing ten (10) year cash reserve fund for replacement of capital assets shall be reviewed and adopted by the Board of Directors prior to the beginning of the fiscal year and shall be presented in the notice of the Annual Meeting.
- (b) Annual budgets, revisions and monthly financial statements shall be posted for review by the Shareholders of the Association. The Board of Directors shall notify the Shareholders of any material deviations from posted budgets and recommended courses of action.
- (c) Operating revenues generated by any facility shall be retained by that facility's budget for operating expenses and capital replacement reserves.
- (d) The Board of Directors shall conduct at least one mid-year review of budgets and may amend them in light of facts as to changes in projected revenues, expenditures or operational needs.

**Section 5. Marina Fuel Spillage Liability Fund.** A cash fund and/or adequate insurance shall be maintained to cover costs of potential legal obligations should a fuel spillage occur at the Marina and shall be determined by the Board having received recommendations of the Marina Committee.

**Section 6. Donations or Gifts.** Appropriate accounting shall be maintained for monetary gifts to the Association and these gifts shall not be used for purposes other than those for which the gift was made without permission from the donor or as permitted by law.

### **Section 7. Authority for Obligating Funds.**

- (a) No officer or agency of the Association is empowered to obligate funds of the Association except as specifically stated as follows:
  - (1) Expenditures authorized by approved budgets.
  - (2) For non-budgeted, immediate needs for emergency repairs of existing Association property, the President may authorize expenditures of up to \$10,000 from reserves or, with the approval of a majority of the Board of Directors, this limit may be raised to \$20,000.
  - (3) For non-budgeted expenditures which improve the operation of or extend the usefulness of existing facilities in line with established activities, the Board of Directors by majority vote may authorize the use of up to \$10,000 from the reserves of that facility.
  - (4) Non-budgeted expenditures as outlined in subsections (2) and (3) above which exceed the limits stated must be approved at a meeting of the Shareholders by a majority vote.
- (b) Expenditures to provide new facilities or new construction in connection with new activities shall be approved at a meeting of the Shareholders by a majority vote.
- (c) Unless previously approved by the Shareholders, neither the Board of Directors nor any officer of the Association shall obligate the Association or borrow funds in excess of the expected operating revenue during the year.



### **Section 8. Disposition of Property.**

- (a) No Association real estate may be sold, leased, transferred by easement or disposed of in any manner for residential or commercial development.
- (b) No Association personal property valued in excess of \$500, shall be sold, leased or disposed of in any other manner without the approval of a majority of the Board of Directors. Assets so disposed of shall be transferred from Association control only if the Association is reimbursed at fair market value.

## **ARTICLE VIII Committees**

**Section 1. Standing Committees.** Standing Committees of the Association shall be: Membership, Finance, Clubhouse, Marina, Swimming Pools, Tennis Courts, Lakes (Princess Pond and Queens Lake), Community Affairs, Beautification & Maintenance, Queens Lake Day and Communications. Each Committee shall at all times consist of at least three (3) Regular Members in Good Standing, or an adult member of their Household, one of whom shall be a Board member assigned by the President. A list of Committee members shall be presented to the Board of Directors and published twice annually. The Board member shall oversee Committee work, approve appointments of Committee members, be responsible for submitting a budget annually to the Finance Committee for review prior to Board approval, and either be the Committee chairman or appoint another Committee member as chairman; such appointment must be approved by the Board. There shall be at least one Committee meeting annually, timely notice of which shall be made. Committee meetings shall be open to Association members in Good Standing.

- (a) **Membership Committee.** The Membership Committee shall contact each known new resident of Queens Lake Community, forward a letter of welcome and make other contacts as deemed appropriate, outlining the operations and advantages of the Association.
- (b) **Finance Committee.** The Finance Committee shall have charge of Association finances, and shall provide for an audit or review of Association financial records by a Certified Public Accountant at least once per fiscal year. The Committee shall be responsible for seeing that the Association is adequately insured and that proper tax reports are filed each year. The Committee shall see that a statement of Association finances is presented to Shareholders each year at the Annual Meeting as specified in Article VII, Section 4. The Committee shall oversee the development of each year's budget, assuring that all Association activities and facilities are adequately funded and shall provide for proper long-range financial planning.
- (c) **Community Affairs Committee.** The Community Affairs Committee shall develop and recommend to the Board of Directors for approval rules, plans, policies and actions in fields of community interest not within the purview of other Standing Committees, furthering the purposes of the Association and promoting a sense of community. It shall serve as the contact agency of the Association coordinating with County and other governmental agencies when needed to further actions in the preceding areas.
- (d) **Beautification & Maintenance Committee.** The Beautification & Maintenance Committee shall have the following responsibilities:
  - (1) planning and coordinating efforts to promote and enhance the beautification of Association property not covered by another Committee and promoting the beautification of the Queens Lake Community;
  - (2) overseeing the maintenance of road frontage of vacant lots as specified in the Restrictive Covenants.
  - (3) providing for the necessary planning, regulation, supervision, control and maintenance of the playground.
- (e) **Facilities Committees.** Committees shall be established for the necessary planning, regulation, supervision, control and maintenance of the following facilities of the Association:
  - (1) Clubhouse
  - (2) Marina
  - (3) Swimming Pools
  - (4) Tennis Courts
  - (5) Lakes (Princess Pond and Queens Lake)
- (f) **Queens Lake Day Committee.** The Queens Lake Day Committee shall be responsible for the planning and execution of an annual weekend of family activities at the Queens Lake recreation areas for all residents of Queens Lake. The date of Queens Lake Day shall be determined by the Board of Directors.
- (g) **Communication Committee.** The Communication Committee shall be responsible for the planning and execution of the Queens Lake Association Newsletter, maintenance and oversight of the Queens Lake Web Site and such other communication that shall be appropriate for Association functions.

**Section 2. Special Committees.** The President may appoint other Committees as may be necessary or appropriate. A Building Committee shall be appointed by the President at such time as it shall be necessary or appropriate.

**Section 3. Rules and Regulations.** Each Facility Committee shall develop Rules and Regulations as needed to assure proper operation of the Association and shall submit them to the Board of Directors for approval. Rules shall be reviewed annually by the

appropriate Committee and any changes approved by the Board. Rules shall be published and made available to all Members of the Association. Any Rule or part of the Rules and Regulations may be changed or rescinded by a majority vote of the Shareholders.

## **ARTICLE IX**

### **Meetings of the Shareholders**

**Section 1. Annual Meeting.** An Annual Meeting shall be held during the month of November at a place and time determined by the Board of Directors and designated in a notice sent to each Shareholder's last known address and mailed so as to arrive not less than two (2) weeks prior to the meeting.

**Section 2. Special Meetings.** A special meeting may be called by the Board of Directors at any time and shall be called by the President if a petition requesting same is duly signed by ten per cent (10%) of the Shareholders in Good Standing. Written notice, stating time, place, reason for the meeting and a summary description of the subjects to be discussed, shall be mailed to Shareholders at their last known address so as to arrive not less than two (2) weeks prior to the meeting.

**Section 3. Quorum.** Shareholders in Good Standing, present in person or by written proxy, holding thirty three and one third percent (33-1/3 %) of outstanding shares shall constitute a quorum.

**Section 4. Attendance at Meeting.** Only Shareholders in Good Standing may attend the meeting, unless otherwise specified in the notice of the meeting.

**Section 5. Voting Privileges.** Only Shareholders in Good Standing may address the meeting and/or have voting privileges. Only one vote may be cast for each share of stock held.

**Section 6. Proxies.** Shareholders in Good Standing may vote in person or by proxy. Shareholders entitled to vote may appoint another Shareholder to vote in accordance with the provisions of any written proxy duly authorized by said Shareholder, as provided by law.

## **ARTICLE X**

### **Nominations and Elections**

#### **Section 1. Nominations for Directors.**

- (a) **Nominating Committee.** At least two (2) months prior to the Annual Meeting, the Board of Directors shall appoint a Nominating Committee composed of at least three (3) Shareholders in Good Standing, none of whom shall be members of the Board. The Committee shall nominate persons who are Shareholders in Good Standing to serve as Directors in a number at least sufficient to fill the vacancies on the Board.
- (b) **Nominations from Shareholders.** At least two (2) months prior to the Annual Meeting, the Board of Directors shall issue a call to the Shareholders-at-large for nominations of persons who are Shareholders in Good Standing to serve as Directors. Such nominations signed by three Shareholders in Good Standing must be received in writing by the Board four (4) weeks prior to the Annual Meeting and shall include a written statement on the part of the nominee expressing his/her willingness to serve.

**Section 2. Report of the Nominating Committee.** The report of the Nominating Committee listing names and qualifications of persons nominated by the Committee and/or the Shareholders-at-large shall be mailed to each Shareholder so as to arrive not less than two (2) weeks prior to the Annual Meeting.

**Section 3. Elections.** Where there is a contest for one or more seats on the Board, voting at the Annual Meeting shall be by secret written ballot and by proxies in hand. The ballots shall be counted by at least two (2) inspectors appointed by the presiding officer. When there is but one (1) nominee for each office, the Executive Secretary may be instructed to cast a unanimous ballot. A majority vote of Shareholders in Good Standing voting shall constitute an election.

## **ARTICLE XI**

### **Stock Issuance and Restrictions**

**Section 1.** Only Property Owners are entitled to hold stock in the Corporation.

**Section 2.** A Property Owner may acquire a share of stock in the Association by either:

- (a) paying a Stock Purchase Fee and executing the Association membership deed Restriction;

- (b) paying a Stock Purchase Fee without executing the Association membership Deed Restriction;
- (c) buying a Association membership deed restricted lot and paying a Stock Transfer Fee; or
- (d) inheritance and paying a Stock Transfer Fee.

**Section 3.** Upon qualification, each Regular Member shall be issued one (1) share of stock in the Association. A person who owns more than one (1) lot may elect to pay an additional Stock Purchase Fee for each additional lot owned and shall then be issued one (1) share for each Stock Purchase Fee paid.

**Section 4.** This stock shall not be transferable except in conjunction with a transfer of title of the Shareholder's lot and only if said lot and share are transferred by inheritance.

**Section 5.** If a Shareholder no longer has title to any lot in the Queens Lake Community, such stock certificate shall be void.

**Section 6.** Each stock certificate shall have printed thereon a notice to the following effect:  
The shares represented hereby are non-transferable except in accordance with the Articles of Incorporation and Bylaws of the Queens Lake Community Association, Inc. as may be hereafter amended.

**Section 7.** This stock shall not be transferable except in conjunction with a transfer of title of the Shareholder's deed restricted lot or through inheritance.

## **ARTICLE XII**

### **Indemnification Against Liability**

The Association shall indemnify to the fullest extent allowed by Virginia law and hold harmless each person who shall serve at any time hereafter as a director or officer of the Association from and against any and all claims and liabilities to which such person shall become subject by reason of having heretofore or hereafter been a director or officer of the Association.

## **ARTICLE XIII**

### **Parliamentary Authority**

Authority for conduct of the meeting is assigned to the Chair, who shall be responsible for timely, fair and reasonable conduct of the meeting's business. Decisions of the Chair are final on questions of procedure, except that any ruling may be appealed to a vote of the meeting. If a rule of the Chair is corrected by the meeting, the Chair shall amend its ruling to reflect the will of the meeting. The Modern Rules of Order shall serve as a guideline to the Chair.

## **ARTICLE XIV**

### **Amendments**

**Section 1. Amendments.** These Bylaws may be amended at any meeting of Shareholders by a two-thirds (2/3) vote of the Shareholders in Good Standing voting, provided the proposed amendments are submitted to the Shareholders in writing, and mailed so as to arrive not less than two (2) weeks prior to the meeting.

**Section 2. Bylaws Review Committee.** The Board of Directors shall appoint a Committee, consisting of not less than three (3) Regular Members in Good Standing, no more than one of whom shall be a member of the Board, to review the Bylaws and report to the Shareholders at the Annual Meeting on the results of their review. No more than four years shall elapse between reviews.

## CERTIFICATE OF INCORPORATION

This is to certify that we do hereby associate ourselves to establish a corporation under and by virtue of Chapter 111, of Title 13, of the Code of Virginia, 1950, for the purposes and under the corporate name hereinafter mentioned, and to that end we do, by this our Certificate, set forth as follows:

### NAME

1. The name of the corporation shall be QUEENS LAKE CLUB, INCORPORATED.

### OFFICE

2. The City in which the principal office of said corporation shall be located is Williamsburg, Virginia.

### PURPOSES

3. The purposes for which said corporation is formed are as follows:

(a) To regulate and perpetuate the use of facilities provided by the Queens Lake Development Company, including Queens Lake and anchorage and docks ( to be constructed), on Queens Lake, and such other recreational and outdoor facilities as may become available in the future.

(b) To formulate rules and regulations and provide for the enforcement thereof for the use of all Club properties and facilities.

(c) To aid in the preservation of the natural beauties of the area, and to assist in the creation of high social, civic and cultural standards in the community.

(d) The operation of the Club shall be on a non-profit basis, dues and charges being based on the current Club needs, and to be adjusted from time to time in accordance with requirements as determined by the Corporation's Board of Directors.

(e) To do all and everything necessary, suitable and proper for the accomplishment of any of the purposes or the attainments of any

of the objects, or the furtherance of any of the powers hereinbefore mentioned, either alone, or through or in association with any other corporation, firms or individuals, and to engage in any other incidental business not prohibited by law to corporations of this character, under the laws of the State of Virginia.

The enumeration herein of specific objects, purposes and powers shall be construed to be in furtherance of and not to limit or restrict in any manner the general powers of said corporation bestowed hereby, or now or hereafter conferred by law.

#### CAPITAL STOCK

4. The maximum amount of the capital stock of the Corporation is to be Five Thousand Dollars (\$5,000.00), and the minimum amount of the capital stock of the corporation is to be One Hundred Dollars (\$100.00). The capital stock of the corporation is to be divided into shares of the par value of One Dollar (\$1.00) each.

#### DURATION

5. The period of the duration of the said corporation shall be unlimited.

#### OFFICERS

6. The names and residences of the officers and directors who, unless sooner changed by the stockholders, are for the first year to manage the affairs of the corporation, are as follows:

<u>Name</u>	<u>Office</u>	<u>Address</u>
R. C. Benschoten	President	Williamsburg, Virginia
H. T. Smith	Vice-President	Boykins, Virginia
Thomas D. Savage	Secretary-Treasurer	Williamsburg, Virginia

#### Board of Directors

R. C. Benschoten	Williamsburg, Virginia
H. T. Smith	Boykins, Virginia
Thomas D. Savage	Williamsburg, Virginia

business not prohibited by law to corporations of this character, under the laws of the State of Virginia.

The enumeration herein of specific objects, purposes and powers shall be construed to be in furtherance of and not to limit or restrict in any manner the general powers of said corporation bestowed hereby, or now or hereafter conferred by law.

#### CAPITAL STOCK

4. The maximum amount of the capital stock of the Corporation is to be Five Thousand Dollars (\$5,000.00), and the minimum amount of the capital stock of the corporation is to be One Hundred Dollars (\$100.00). The capital stock of the corporation is to be divided into shares of the par value of One Dollar (\$1.00) each.

#### DURATION

5. The period of the duration of the said corporation shall be unlimited.

#### OFFICERS

6. The names and residences of the officers and directors who, unless sooner changed by the stockholders, are for the first year to manage the affairs of the corporation, are as follows:

<u>Name</u>	<u>Office</u>	<u>Address</u>
H. C. Benschoten	President	Williamsburg, Virginia
H. T. Smith	Vice-President	Boykins, Virginia
Thomas D. Savage	Secretary-Treasurer	Williamsburg, Virginia

#### Board of Directors

H. C. Benschoten	Williamsburg, Virginia
H. T. Smith	Boykins, Virginia
Thomas D. Savage	Williamsburg, Virginia
W. L. Person	Williamsburg, Virginia

(Board of Directors, Cont.)

James E. Vaiden

Williamsburg, Virginia

REAL ESTATE

The amount of the real estate to which the holdings of said corporation are at any time to be limited is one thousand (1000) acres.

In Witness Whereof the undersigned have hereunto set our hands and seals this 29<sup>th</sup> day of May, 1952.

K. C. Bunschoten (SEAL)

Thomas D. Savage (SEAL)

W. L. Person (SEAL)

James E. Vaiden (SEAL)

H. L. Smith (SEAL)

Commonwealth of Virginia

City of Williamsburg, as:

I, Mary Emma, a Notary Public for the Commonwealth of Virginia at large, residing at Williamsburg, do certify that K. C. Bunschoten, Thomas D. Savage, W. L. Person and James E. Vaiden, whose names are signed to the foregoing writing bearing date May 29<sup>th</sup> 1952, have this day acknowledged the same before me in my city aforesaid. My commission expires August 31, 1955.

Given under my hand this 29<sup>th</sup> day of May, 1952.

Mary Emma  
Notary Public

Commonwealth of Virginia

County of Southampton, ss:

I, Bertie D. Schneider, a Notary Public for the  
County and Commonwealth aforesaid, do certify that H. T. Smith whose  
name is signed to the foregoing and annexed ~~writing~~ bearing date  
May 29, , 1952, has this day acknowledged the same before me in my  
county aforesaid. My commission expires Nov. 19, 1954

Given under my hand this 29<sup>th</sup> day of May, 1952.

Bertie D. Schneider

Notary Public



JUL 2 12 01 23  
Commonwealth of VirginiaDEPARTMENT OF THE  
STATE CORPORATION COMMISSION

City of Richmond, 7th day of July, 1952

The accompanying certificate for incorporation, together with the charter fee required by law, having been presented to the STATE CORPORATION COMMISSION by

R. C. Benschoten, Thomas D. Savage, J. M. Vaiden, W. L. Person  
and H. T. Smith

and the State Corporation Commission having examined said certificate now declares that the said applicants have complied with the requirements of law, and have entitled themselves to a charter, and it is therefore ordered that they and their associates and successors be and they are, hereby made and created a body politic and corporate under and by the name of

Queens Lake Club, Incorporated

upon the terms and conditions, and for the purposes set forth in said certificate, with all the powers and privileges conferred and subject to all the conditions and restrictions imposed by law.

And said certificate, with this order, is hereby ordered to be admitted to record.

*Robert H. H. H.*  
Chairman.

Attest:

*W. W. Catkinson*  
Clerk of the Commission.

COMMONWEALTH OF VIRGINIA:

OFFICE OF THE STATE CORPORATION COMMISSION:

In the CITY OF RICHMOND, the 7th day of July, 1952.

The foregoing charter of Queens Lake Club, Incorporated

was this day received and duly admitted to record in this office and is hereby certified to the Clerk of the  
Circuit Court of City of Williamsburg and County of James City according to law.

STATE CORPORATION COMMISSION.

By

*Robert H. H. H.*  
Chairman.

Attest:

*W. W. Catkinson*

and the State Corporation Commission having examined said certificate now declares that the said applicants have complied with the requirements of law, and have entitled themselves to a charter, and it is therefore ordered that they and their associates and successors be and they are, hereby made and created a body politic and corporate under and by the name of

Queens Lake Club, Incorporated

upon the terms and conditions, and for the purposes set forth in said certificate, with all the powers and privileges conferred and subject to all the conditions and restrictions imposed by law.

And said certificate, with this order, is hereby ordered to be admitted to record.

Robert Hood  
Chairman.

Attest:

N. W. Atkinson  
Clerk of the Commission.

COMMONWEALTH OF VIRGINIA:

OFFICE OF THE STATE CORPORATION COMMISSION:

In the CITY OF RICHMOND, the 7th day of July, 1952.

The foregoing charter of Queens Lake Club, Incorporated

was this day received and duly admitted to record in this office and is hereby certified to the Clerk of the  
Circuit Court of City of Williamsburg and County of James City according to law.

By Robert Hood  
Chairman.

Attest: N. W. Atkinson  
Clerk of the Commission.

VIRGINIA:

In the Clerk's Office of the Circuit Court of City of Williamsburg & James City - the 27th day of Sept., 1952

The foregoing charter and certificate of the State Corporation Commission thereon was received, duly admitted to record, duly spread, and is now certified to the Clerk of the State Corporation Commission.

Teste:

Virginia Blanchard  
Clerk.

## ARTICLES OF REDUCTION BY CANCELLATION OF SHARES

The undersigned Corporation, pursuant to Sec. 13.1-63 of the Code of Virginia, hereby executes these articles of reduction.

(a) The name of the corporation is Queens Lake Club, Inc.

(b) At a meeting of the board of directors held on the 17th day of October 1969, the following resolution was adopted:

WHEREAS, the corporation holds in its treasury 1,395 shares of stock heretofore issued and reacquired, be it

RESOLVED that said shares be cancelled, and that the stated capital of the corporation be reduced by \$ 1,395.00, the stated capital represented by said shares.

After the cancellation of said shares the stated capital of the corporation will be \$ 441.00

(c) The number of issued shares after giving effect to the cancellation will be:

Common stock                      441 shares

IN WITNESS WHEREOF, the undersigned corporation has caused these articles to be executed in its name by its president and its secretary this 13th day of October, 1969, who declare under the penalties of perjury that the facts herein stated are true.

*Richard P. Johnston*  
 RICHARD P. JOHNSTON  
 Major General, USA (Ret.)  
 President

*Mrs. William L. Roberts, Jr.*  
 Mrs. William L. Roberts, Jr.  
 Secretary

ARTICLES OF AMENDMENT  
OF  
CERTIFICATE OF INCORPORATION

QUEENS LAKE CLUB, INCORPORATED, a corporation organized and existing under and by virtue of the Virginia Stock Corporation Act, HEREBY CERTIFIES:

FIRST: That at a meeting of the Board of Directors of QUEENS LAKE CLUB, INCORPORATED, held on the 12th day of November, 1969, it was found by the said directors to be in the best interest of the corporation that a proposed amendment to the Certificate of Incorporation be submitted to the stockholders of the corporation, and the said directors adopted a resolution setting forth the proposed amendment and directed that it be submitted to the vote at a special meeting of stockholders. The resolution setting forth the proposed amendment is as follows:

RESOLVED, that the Certificate of Incorporation be amended by changing subparagraph (d) of the Article thereof numbered "3" so that, as amended, said paragraph of said Article shall be and read as follows:

"(d) The Club shall be operated exclusively for pleasure, recreation, and other non-profitable purposes, and no part of the net earnings shall inure to the benefit of any private shareholder. Any activities inconsistent with the Club's pleasure, recreational, or non-profit purposes, or any activity which might jeopardize the Club's status as an organization exempt from the income tax under the Internal Revenue Code, including, without limiting the generality of the foregoing, the payment of dividends on any stock issued, shall be prohibited. Dues and charges shall be based upon current Club needs and shall be adjusted from time to time in accordance with requirements as determined by the Club's Board of Directors."

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SECOND: That thereafter, pursuant to the aforesaid resolution of its Board of Directors, a special meeting of the stockholders of QUEENS LAKE CLUB, INCORPORATED was duly called and held on the 10th day of December, 1969, pursuant to notice given on 13th November, 1969, to each stockholder of record entitled to vote.

THIRD: That the notice was given by mail addressed to the stockholder at his address as it appears on the stock transfer books of the corporation with postage thereon prepaid.

FOURTH: That the notice included the place, day and hour of the special meeting, and included the purpose thereof as well as a copy of the proposed amendment, and that the notice was otherwise in conformity with the Virginia Stock Corporation Act.

FIFTH: That at the said special meeting of stockholders of the said corporation, the aforesaid resolution was adopted by the stockholders on December 10th, 1969, without change.

SIXTH: That the corporation has only one class of shares and that no shares are entitled to vote as a class.

SEVENTH: That 441 shares were outstanding and entitled to vote at such meeting, and that 355 shares were voted in favor of adoption of said resolution and that

IN WITNESS WHEREOF, said QUEENS LAKE CLUB,  
INCORPORATED has caused its corporate seal to be hereunto  
affixed and this certificate to be signed by Briard P.  
Johnson, its President, and Evelyn G. Roberts, its Secretary,  
this 11<sup>th</sup> day of December, 1969.



QUEENS LAKE CLUB, INCORPORATED

By Briard P. Johnson  
President

By Evelyn G. Roberts  
Secretary

(CORPORATE SEAL)

Commonwealth of Virginia )  
City of Williamsburg } ss.

I, Rebecca M. Warren, Notary Public for the  
Commonwealth of Virginia, residing at Williamsburg  
Virginia, do certify that Briard P. Johnson and  
Evelyn G. Roberts, who, being by me duly sworn, did say that  
they are the President and Secretary, respectively, of QUEENS  
LAKE CLUB, INCORPORATED, whose names are signed to the fore-  
going writing bearing date of December 11, 1969, have this  
day acknowledged and verified the same before me in my  
City aforesaid.

My commission expires October 11, 1971.

Given under my hand and seal this 11<sup>th</sup> day of  
December, 1969.

Rebecca M. Warren

**Articles of Amendment  
of  
QUEENS LAKE CLUB, INC.**

Pursuant to the provisions of Section 13.1-668, 707 and 710 of the Code of Virginia (1950), as amended, the undersigned Corporation, by its President, sets forth as follows:

- (a) The name of the Corporation is Queens Lake Club, Inc.
- (b) The adopted amendment reduces the quorum for Shareholders meetings of the Corporation to 33 1/3% of the total number of Shareholders of the Corporation, as the same may exist from time to time.
- (c) The Board of Directors, at its regular meeting on September 15, 1993, adopted a motion to recommend to the Shareholders, for vote at the annual Shareholders meeting, approval of an amendment to the Articles of Incorporation of the Corporation to reduce the quorum required for Shareholders meetings from a simple majority to 33 and 1/3%, by a vote of 9 in favor of adoption of said motion and 2 in opposition to the adoption of said motion with all Directors present and voting.
- (d) Pursuant to appropriate notices dated October 28, 1993, and November 22, 1993, the Shareholders, at an adjourned annual meeting held December 15, 1993, adopted the motion to amend the Articles of Incorporation as recommended by the Board of Directors by a vote of 170 shares in favor of adoption of said motion; 40 shares in opposition to the adoption of said motion; and 182 shares not voting. The number of votes cast was sufficient to approve the amendment.
- (e) Article IX, Section 3. of the Bylaws of the Corporation is hereby amended to conform to these Articles of Amendment.
- (f) The Certificate of Amendment shall become effective on the date of issuance by the State Corporation Commission.

IN WITNESS WHEREOF, the Corporation has caused these Articles of Amendment to be signed by its President, and its corporate seal to be affixed, as of July 7<sup>th</sup>, 1994.

QUEENS LAKE CLUB, INC.

Seal

By:

Steven A. Caggis  
President

PAUL L. WILSON  
ATTORNEY AT LAW

Post Office Box 1593  
WILLIAMSBURG, VIRGINIA 23187

**ARTICLES OF AMENDMENT  
OF  
QUEENS LAKE CLUB, INCORPORATED**

Pursuant to the provisions of Sections 13.1-668, 707 and 710 of the Code of Virginia (1950), as amended, QUEENS LAKE CLUB, INCORPORATED, a corporation duly organized and existing under and by virtue of the Virginia Stock Corporation Act, by its President, sets forth as follows:

1. The name of the corporation is Queens Lake Club, Incorporated.
2. At a meeting of the Board of Directors of QUEENS LAKE CLUB, INCORPORATED it was found by the said directors to be in the best interest of the corporation that a proposed amendment to the Articles of Incorporation be submitted to the Shareholders of the corporation to change the name of the corporation to QUEENS LAKE COMMUNITY ASSOCIATION, INC., and that the proposed amendment be submitted to a vote of the Shareholders of the corporation at the annual meeting of the Shareholders, with the text of the proposed amendment set forth on the attached Exhibit "A,"
3. Pursuant to appropriate notice(s) dated October 31, 2003, the Shareholders, at an annual meeting held November 18, 2003, the amendment was proposed by the Board of Directors and submitted to the Shareholders in accordance with Chapter 9 of Title 13.1 of the Code of Virginia (1950), as amended, there being 324 outstanding shares of stock in the corporation of a single voting group, a quorum of the Shareholders being present in person or by proxy for the said meeting, adopted the motion to amend the Articles of Incorporation as recommended by Board of Directors, 86 votes in favor of the said motion and 27



against the said motion, the number of votes being cast being sufficient to approve the amendment.

4. Article 1 of the Articles of Incorporation ("Name") is hereby amended to read, "1. The name of the corporation shall be Queens Lake Community Association, Inc."

5. The Articles of Amendment shall become effective on the date of issuance by the State Corporation Commission.

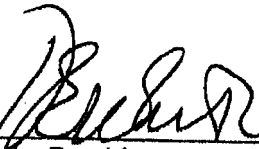
IN WITNESS WHEREOF, the Corporation has caused these Articles of Amendment to be signed by its President and its corporate seal to be affixed as of March 16, 2004.

QUEENS LAKE CLUB, INCORPORATED

(SEAL)

*was affixed  
by LEL*

By



its President

**COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION**

May 4, 2004

The State Corporation Commission has found the accompanying articles submitted on behalf of  
Queens Lake Community Association, Inc. (formerly QUEENS LAKE CLUB, INCORPORATED  
)

to comply with the requirements of law, and confirms payment of all related fees.

Therefore, it is ORDERED that this

**CERTIFICATE OF AMENDMENT**

be issued and admitted to record with the articles of amendment in the Office of the Clerk of the  
Commission, effective May 4, 2004.

The corporation is granted the authority conferred on it by law in accordance with the articles,  
subject to the conditions and restrictions imposed by law.

STATE CORPORATION COMMISSION

By

A handwritten signature in black ink, reading "Mark L. Christie". The signature is written in a cursive, flowing style.

Commissioner

04-04-27-0011  
AMENACPT  
CIS0436